GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1889
ANSWERED ON:14.03.2002
SALE PROCESS OF ENRON .
MAHBOOB ZAHEDI

Will the Minister of POWER be pleased to state:

(a) whether in 1999 the sale proceed of ENRON was 4 thousand 11 crore 20 lakhs American dollars;

(b) whether the net income of ENRON was 89 crore 30 lakhs American dollars andby the end of 1999 ENRON had in hand 28 crore 80 lakhs American dollars;

(c) whether ENRON had ever shown its losses on records and on the contrary they had shown profit;

(d) whether the public could not be apprised of the miserable financial situation till its abrupt fall; and

(e) if so, the steps Government have planned to safeguard the interest of ENRON`s employees and the investors?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) to (e) : Enron Corp., is a US based company having investments in severalcountries and as such, details related to the company such as sale proceeds, net income, losses etc. are not being monitored by the Government of India. Enron Corp., also has anindirect interest in Dabhol Power Company by way of investment in equity through itsvarious investment companies. Dabhol Power Company is an Indian company set up for implementing the 2184 MW Dabhol power project in Maharashtra.Indian financial institutions, which have a major stake in the Dabhol Power Company are taking steps toselect a promoter to replace Enron so that the project can be completed and restart operations.